

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 49

To amend the Internal Revenue Code of 1986 to permit losses on sales of certain prior principal residences to offset gain on a subsequent sale of a principal residence.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 5, 1993

Mr. ARCHER introduced the following bill; which was referred to the  
Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to permit losses on sales of certain prior principal residences to offset gain on a subsequent sale of a principal residence.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Home Sale Tax Fair-  
5       ness Act of 1993”.

6       **SEC. 2. LOSSES ALLOWED AGAINST GAIN RECOGNIZED ON**  
7       **SALE OF PRINCIPAL RESIDENCE.**

8       Section 1001 of the Internal Revenue Code of 1986  
9       (relating to determination of amount of and recognition

1 of gain or loss) is amended by redesignating subsection  
2 (f) as subsection (g) and by inserting after subsection (e)  
3 the following new subsection:

4       “(f) LOSSES ALLOWED AGAINST GAIN RECOGNIZED  
5 ON SALE OF PRINCIPAL RESIDENCE.—In the case of an  
6 individual, the amount of gain which would (but for this  
7 subsection) be recognized on the sale or exchange after  
8 December 31, 1993, of a principal residence of such indi-  
9 vidual shall be reduced (but not below zero) by the aggre-  
10 gate of the losses (if any) sustained by such individual on  
11 the sale or exchange after the date of the enactment of  
12 this subsection of prior principal residences of such indi-  
13 vidual which were not allowed as a deduction and which  
14 were not previously taken into account under this sub-  
15 section. For purposes of the preceding sentence, the term  
16 ‘principal residence’ has the same meaning as when used  
17 in section 1034.”

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